

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

STARRED QUESTION NO:604
ANSWERED ON:09.05.2000
PRODUCTION CAPACITY OF FERTILIZER COMPANIES
RAVINDRA KUMAR PANDEY

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Indian Fertilizer Industry has set new records in production and capacity utilisation during 1997-98 and 1998-99;
- (b) if so, the logic behind the recent hike in the price of fertilizers;
- (c) whether the Government had decided last year that the shortage of urea would be met with the imports at cheaper rates keeping in view the sharp decline in the price of urea in the international market;
- (d) if so, the quantity of urea imported last year and during the current year;
- (e) whether a number of projects are being implemented in the country with huge capital investment; and
- (f) if so, the position thereof as on date?

Answer

THE MINISTER OF CHEMICALS & FERTILIZERS

(SHRI SURESH P. PRABHU)

(a) to (f) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 604 TO BE ANSWERED ON 9.5.2000

(a) In 1997-98, the country produced 100.86 lakh MTs of Nitrogen and 29.76 lakh MTs of Phosphate respectively. In 1998-99, production of Nitrogen was 104.80 lakh MTs and that of Phosphate 31.41 lakh MTs. The capacity utilization in 1997-98 was 101.5% in Nitrogen and 101.7% in Phosphate. This was a record in itself. However, capacity utilization in 1998-99 was 99.6% in Nitrogen and 99.1% in Phosphate.

(b) The recent hike in prices of fertilizers has been made to contain the fiscal deficit by reducing the outgo on subsidies.

(c)&(d) The imports of urea are made for bridging the gap between the assessed demand and indigenous availability. 5.33 lakh MTs urea was imported in 1999-2000. However, currently there is no proposal to import urea.

(e)&(f) At present, 7 projects both in Public and private sectors are under implementation in the country with a total capital investment of Rs. 2663.69 crores. The details of these Projects are given at Annexure-I.

Annexure-I

Statement referred to in part (e) of the Lok Sabha Starred Question No.604, Answer on 9-5-2000

Details of major fertilizer projects under implementation in the country

SN	Name of the project, location and Company/Cooperative	Estimated Addl. capital cost (Rs.crore)	Envisaged Product Capacity (in lakh MTPA)	Zero date	Scheduled date of commissioning	Remarks
1	Oswal Chemicals & Fertilizers Ltd. (New) Paradeep, Orissa	1832.00	DAP NPK 1.00	15.00 3.20	Sept., 97 Sept., 99	Trial production has started in April, 2000
2	Godavari Fertilizers & Chemicals Ltd. (GFCL), Kakinada, A.P.	99.13	DAP	2.8	5.1.98	31.12.01

3 Revamp of Namrup Plants of Hindustan Fertilizer Corporation Ltd. (HFC), Namrup, Assam progress was 53.8 %.	350.00	Urea	3.28	2.11.98	1.5.2001	The financial progress made at the end of March, 2000, was Rs. 29.88 crore and the overall physical
4 National Fertilizers Ltd. (NFL) (urea plant expansion project), Nangal, Punjab progress was 56.6 %	135.13	Urea	1.48	11.5.99	11.5.2001	The financial progress made at the end of March, 2000 was Rs. 23.11 crore and the overall physical
5 Gujarat State Fertilizers & Chemicals Ltd., Vadodara (DAP Expansion Project)	180.00	DAP	3.96	1.9.99	1.7.2001	
6 Indo Gulf Corporation Ltd., Dahej, Gujarat. (new)	32.03	DAP	4.00	July,99	October, 2000	
7 Coromandel Fertilizers Ltd., Vyzag (NPK expansion project)	35.40	NPK	1.25	Sept., 98	July, 2000	

Total Estimated Capital Cost : Rs.2663.69 crore

Total Urea : 4.76 lakh MTPA

NPK : 04.45 lakh MTPA
DAP : 25.76 lakh MTPA

NP : 01.00 lakh MTPA